



CITY OF COMMERCE STAFF REPORT

TO: The Honorable City Council **Item No.** _____

FROM: City Manager

SUBJECT: PUBLIC HEARING – CONSIDERATION AND APPROVAL TO AMEND THE ADOPTED RESOLUTION OF THE CITY OF COMMERCE 2021-2029 HOUSING ELEMENT AND NEGATIVE DECLARATION (ND)

MEETING DATE: November 12, 2024

RECOMMENDED ACTION:

1. Open the public hearing on the subject matter.
2. Close the public hearing.
3. Approve the amended resolution of the City of Commerce 2021-2029 Housing Element and the Negative Declaration (ND)

BACKGROUND:

California's Government Code section 65580 mandates each jurisdiction to prepare a Housing Element that is incorporated into its General Plan. This is to ensure adequate planning for projected housing demand throughout the state. Unlike other elements of the General Plan, the Housing Element must be updated by deadlines set forth by the state agency, the Department of Housing and Community Development (HCD).

The City of Commerce has an assigned RHNA allocation of 247 units for the 2021-2029 planning period. This allocation is distributed into four income categories (55 extremely/very low income, 22 low income, 39 moderate income, and 131 above moderate income units).

On August 21, 2024 the Planning Commission reviewed the 2021-2029 Housing Element Update and the Negative Declaration (ND). The Planning Commission unanimously approved a Resolution to recommend approval of the Project to the City Council.

On September 10, 2024 the City of Commerce City Council held a public hearing to approve a resolution for the adoption of the 2021-2029 Housing Element and Negative Declaration. Following the adoption of the resolution and the Housing Element, the City of Commerce submitted to HCD for final review.

ANALYSIS:

The Housing Element addresses existing and future housing needs of all types for persons in all economic segment groups within the City and serves as a tool for decision-makers and the public in understanding and meeting housing needs in Commerce.

Because the 2021-2029 Housing Element relies on nonvacant sites to accommodate 50% or more of its RHNA for lower income households, the following additional finding, as required by HCD, is hereby made substantiating that the use will likely be discontinued during the planning period:

Based on existing uses, existing floor area ratio, age of structures (year structure built), improvement-to-land ratio, lot size, adjacency to parcels with redevelopment potential and lot consolidation potential, and expressed interest of developers or property owners, the existing uses on the sites identified in the site inventory to accommodate the lower income RHNA are likely to be discontinued during the planning period, and therefore do not constitute an impediment to additional residential development during the period covered by the housing element.

CONCLUSION:

By having a certified Housing Element, the City of Commerce will remain in compliance with State law and will avoid having to update the Housing Element every 4 years instead of 8. Other benefits include providing opportunities for a variety of housing types for people of all income levels, allowing the City to plan and guide where growth may occur, and making the City eligible for State funds that are only available to cities with certified Housing Elements, such as the Community Development Block Grant Program.

Lastly, a certified Element may limit the ability for lawsuits against the City related to inadequate General Plans. Courts can impose a range of sanctions if they rule a Housing Element is invalid, including a moratorium on all local land use authority until the Element is brought into compliance.

REQUIRED FINDINGS:

The following conclusions can be made, regarding the mandatory findings of significance set forth in the CEQA Guidelines, based on the results of the environmental assessment:

- a) The Housing Element Update and the associated housing programs and policies do not have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of major periods of California history or prehistory. The Housing Element Update is consistent with the City of Commerce's General Plan. The Housing Element Update itself does not approve specific developments or specific housing programs that outline a change in zoning; all future development and implementation

of housing programs must be evaluated and potentially approved on a case-by-case basis. Subsequently, impacts associated with each potential development would be analyzed to ensure the preservation of the environment.

- b) The Housing Element Update is a policy document that sets forth housing programs to

meet State requirements and regional housing needs and identifies sites suitable for future residential development. The programs outlined and the sites identified within the Housing Element Update would cumulatively increase residential development opportunities within the city during the 2021-2029 planning period. Overall, the long-term development of the housing opportunity areas are consistent with the growth projections identified in the General Plan. Therefore, the proposed Housing Element Update would not result in new or additional cumulative impacts.

- c) The Housing Element Update and the housing programs and policies contained within that document would not cause substantial direct or indirect adverse environmental effects on human beings. The Housing Element Update is a policy document that does not approve specific residential development. Potential residential development would be evaluated on a case-by-case basis to ensure no substantial direct or indirect adverse environmental effects.
- d) Based on existing uses, existing floor area ratio, age of structures (year structure built), improvement-to-land ratio, lot size, adjacency to parcels with redevelopment potential and lot consolidation potential, and expressed interest of developers or property owners, the existing uses on the sites identified in the site inventory to accommodate the lower income RHNA are likely to be discontinued during the planning period, and therefore do not constitute an impediment to additional residential development during the period covered by the housing element.

Pursuant to Commerce Municipal Code Section 19.39.370 the following findings must also be made:

1. **That the proposed amendment is in the public interest and that there will be a community benefit resulting from the amendment.** The City of Commerce first initiated a comprehensive general plan update, including an update of the Housing Element, in the mid-1980s. This earlier Element was subsequently updated and adopted in January 2008 pursuant to the required updates by the California Department of Housing and Community Development (HCD). The current Housing Element builds upon the previous elements by updating technical information and assessing the City's progress in implementing its earlier housing goals, objectives, and programs. In addition, the current Element outlines those strategies and programs that will enable the City to meet its current Regional Housing Needs Assessment (RHNA). Finally, the document serves as a critical link between housing policy and the long-range land use plan that calls for continued infill housing development as well as new opportunities for housing in areas that were previously developed as commercial or industrial uses.
2. **That the proposed amendment is consistent with the other goals, policies, and objectives of the general plan.** The Elements that comprise the Commerce General Plan are required by State law to be internally consistent. Together these Elements provide the framework for the development of facilities, services, and land uses necessary to address the needs and desires of the City's residents. To ensure that these needs are clearly addressed throughout the General Plan, the Elements must be interrelated and interdependent.

This Housing Element is most directly related to the Community Development Element, since it is the Community Development Element that designates the location and extent of residential development throughout the City. With regard to the other General Plan

Elements, the following findings of conformity may be made:

- This Housing Element promotes the development of new housing in certain areas where housing does not presently exist. This Element does not involve any land use recommendations that are inconsistent with the Community Development Element or with the other General Plan Elements.
 - This Housing Element does not promote or propose any land use changes requiring the installation of any new streets or infrastructure not already anticipated in the General Plan.
 - The focus of this Housing Element is to identify strategies that will conserve existing housing and investigate opportunities to accommodate new infill residential development.
3. **That the proposed amendment will not conflict with provisions of the zoning ordinance or subdivision regulations.** Market and governmental factors pose constraints to the provision of adequate and affordable housing. These factors tend to disproportionately impact lower and moderate-income households due to their limited resources for absorbing the costs. The City is committed to removing governmental constraints that hinder the production of housing and offers a streamlined permitting process to facilitate efficient entitlement and building permit processing. The proposed amendment would not conflict with any provisions of the zoning ordinance or subdivision regulations.
4. **In the event that the proposed amendment is a change to the land use policy map, that the amendment will not adversely affect surrounding properties.** The Housing Element update will not adversely affect surrounding properties as it does not call for any changes to the land use policy map. The subject update builds upon the previous elements by updating technical information and assessing the City's progress in implementing its earlier housing goals, objectives, and programs.

FISCAL IMPACT:

None.

Recommended/Prepared By: Norma Lopez, Planning Consultant

Reviewed By: Louis Morales, Director of Economic Development and Planning

Approved as to Form: Noel Tapia, City Attorney

Respectfully submitted: Ernie Hernandez, City Manager

ATTACHMENTS:

1. Resolution

